

**Compilation by principle of all comments on the Draft Third Edition of the CCB Standards of 31<sup>st</sup> July 2013 received during the second 60-day public comment period 1<sup>st</sup> August to 29<sup>th</sup> September 2013**

**26<sup>nd</sup> October 2013**

Person/ Organiza tion making the comment	Comment number	Criterion/ Indicator	Comment	Response
<b>Overall</b>				
4	0.01		This version shows several changes and improvements both in substance as in format related to the previous one. The bar has been raised in this version which I think is more challenging and interesting for both proponents and auditors in the hope that this will contribute to a more scientific management of the projects.	No change required
5	0.02	General Format	May be good to explain whether this is the format or guidance to be used for the PD or for more general design, who it is intended for (project developer or auditor or both)	<p>The Rules for the use of CCB Standards mentions: ‘There is no mandatory format or template for the PDD, but it shall be prepared in a way that facilitates assessment by the public and the Auditor.’</p> <p>The CCB Standards is meant for all users of the Standards such as project developers, auditors, etc. The Standards is composed of criteria and indicators which can serve as a checklist for users of the Standards.</p>
7	0.03		From an M&E perspective I was expecting the narrow definition of indicator that focuses on process/output/outcome indicators and not implementation steps or milestones, which could be seen as the wider definition of indicators as being a pointer or index of a state, condition or	Many indicators in the CCB Standards such as those in the Stakeholder engagement section and the do no harm indicators such as no harm to High Conservation Values, use of

		<p>level.</p> <p>I noticed that the standards set clear guides on what needs to be included / taken into account. But I am wondering what the quantifiable levels are to be able to talk about a project that reaches the gold standard. Are there certain fixed quantitative levels on indicators to say 'Yes, gold level!'. Do you also have silver and bronze?</p> <p>A number of the indicators, or implementation steps, are descriptive in nature and it would be good to add guidance on how to quantify them in the guidance document you are developing.</p>	<p>GMO's, legal status and property rights, etc set out specific requirements that need to be satisfied, also outlining processes and steps that are important for good practice.</p> <p>The CCB Standards is intentionally not prescriptive regarding social and biodiversity net benefits due to the following reasons</p> <ul style="list-style-type: none"> <li>• Social and biodiversity benefits may be hard to quantify</li> <li>• CCB Standards aims to encourage improvements in project design and to encourage widest possible project developers</li> <li>• CCB Standards can be applied to a wide variety of projects that deliver credible and significant climate, community and biodiversity benefits in an integrated, sustainable manner, making it difficult to set out specific output and outcome indicators</li> </ul> <p>A guidance document is currently being developed that will provide more clarity on key concepts and requirements in the CCB Standards and outline minimum threshold levels for some of the indicators across different project types.</p> <p>CCB Standards use to have silver and bronze levels in the past but decided to get rid of multiple levels in the favor of</p>
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				having one clear higher Gold level.
5	0.04		In general I think this version is very well written and straightforward. The detailed footnotes will also be very helpful to many people. I look forward to seeing them published.	No change required
8	0.05		Overall, UNFCCC will make/approve guidance on safeguard information system in the near future. It'd be useful if the CCB Standard guideline can include the contents that many developing countries can refer to when they need to develop their national safeguard guideline in the future. And, it'd be better that CCBS guideline encourage those countries to make the contents of national safeguard guideline under consideration of national circumstances in each country.	CCB Standards criteria and indicators are to be used at the project level. REDD+ SES is another CCBA initiative that provides guidance for development of policies, including safeguard information system, at the country level. This suggestion is relevant to REDD+ SES.
<b>General</b>				
5	1.01	G1.2	Consider consistency between goals and objectives	No change has been made since objectives (term used in the indicator) are more specific and Goals (term used in the title) are more general.
5	1.02	G 1.2	It seems not so clear how specific these objectives need to be. Do they need to be measurable?	Addition made to footnote 11: "The project shall have <b>specific, measurable</b> and distinct climate,...."
5	1.03	G 1.4	Are these (Project Area) consistent with VCS terms? I know with OM we had some issues with these terms.	In CCB Standards, the 'Project Area' is the land area in which project activities aim to generate net climate benefits. The VCS does not have a definition for project area. The way that project area is used throughout the AFOLU Requirements document in VCS is the area that is eligible, under a specific project category, where the project activities are undertaken. The project activities are the technologies and measures that are implemented which result in emission reductions and removals.

				Therefore the 'Project Area' definition in CCB Standards is consistent with VCS.
8	1.04	G 1.5 Footnote 16	Does it mean a proponent can use any other manual (not necessary to choose SBIA)?	Yes- the use of SBIA is recommended but the project proponent may choose to use other tools/manuals.
8	1.05	G 1.6	On identification of Communities and Community Groups  What about household levels?	The net positive Community impact analysis in the CCB Standards is carried out at the Community Group level (i.e.) the project proponent needs to demonstrate that the net well-being impacts on all Community Groups is positive. Therefore G1.6 only requires identification of Communities and Community Groups.  However, if projects are validated to the Gold level in the Community section, then the proponent would need to demonstrate equitable benefit sharing at the household level.
8	1.06	G 1.6	On identification of Other Stakeholders:  Depending on the scale of site, it's difficult to list the smaller level of participants. the requirement is fine to the current one. But the household level can be up to a proponent's option.	Other Stakeholders only need to be identified at a group level (no harm then needs to be demonstrated across all Other Stakeholders as a group.)
5	1.07	G 1.6	List all Communities, Community Groups and Other Stakeholders identified using the process <del>outlined</del> <b>explained</b> in G 1.5.	Change accepted
5	1.08	G 1.8	<b>Briefly</b> describe each project.....	Change accepted
5	1.09	G 1.8	The link in the footnote #21 does not seem to be complete – it does not take one directly to the document.	Corrected
5	1.10	G 1.9	“ Define an <b>implementation schedule</b> , indicating key dates and	Change not made since this is getting too detailed

			<p>milestones in the project’s development. .. ‘</p> <p>Comment: Implementation could start at beginning of project development, at a defined project start date or when revenues are received. May be good to clarify.</p>	
5	1.11	G 1.11	<p>“Describe the measures needed and <b><i>taken</i></b>...”</p> <p>Comment: Taken since when?</p>	<p>In general, ‘Needed’ applies to projects undertaking validation and ‘taken’ applies to projects undertaking verification.</p> <p>Terms referring to validation /PDD is in italics and terms referring to verification/PIR is in bold.</p>
5	1.12	G 1.11	<p>“ Describe.... benefits <i>beyond the project lifetime.</i> “</p> <p>Comment: It may be useless and unrealistic to expect projects to plan now for 30+ years from now. Situations will be changing rapidly</p>	<p>This indicator attempts to ensure that measures are taken to maintain projects benefits beyond the project lifetime.</p>
5	1.13	G 1.12	<p>“ provide an <b><i>adequate</i></b> actual and projected flow of funds”</p> <p>Comment: Projects should not be penalized if the voluntary carbon markets drop substantially. According to the latest CI report, this is a strong possibility.</p>	<p>The project may demonstrate flow of funds for project implementation from voluntary carbon market revenues or other sources. In the case that carbon market revenues are not adequate, there should be an alternative plan for minimum funding requirements. The indicator is intended to ensure that the project is financially feasible.</p>
5	1.14	G 2.2	<p><i>...explaining how existing laws or regulations would likely affect land use...</i>”</p> <p>Comment: It can also be the lack of existing laws and regulations or the lack of their enforcement.</p>	<p>The following addition has been made to the indicator: ‘...explaining how existing laws, regulations and <b>governance arrangements or lack of laws and regulations and their enforcement</b> would likely affect land</p>

				use...”
4	1.15	G 2.2	<p>Document that project benefits including climate, community and biodiversity benefits would not have occurred in the absence of the project, explaining how existing laws or regulations <b>and governance</b> would likely affect land use and justifying that the benefits being claimed by the project are truly ‘additional’ and would not have occurred without the project<sup>34</sup>.</p> <p><b>Justification:</b> The effectiveness of the implementation of laws and regulations could be better perceived analyzing which is the state of art of governance of the institutions and stakeholders at the project site (from country, sub-national to local). Description of governance and how this would affect land use is critical for project proponents to build up institutional practices that could contribute to promote a more predictable and transparent conduct of public and private sectors on managing resources and economy. Describing governance could also help the projects to identify human-induced risk (G1-10 Project Goals Design and Long Term Viability, Indicator 10).</p>	Indicator changed to ‘ ... explaining how existing laws, regulations and <b>governance arrangements or lack of laws and regulations and their enforcement</b> would likely affect land use...’
5	1.16	G 3.3	<p>“...facilitating direct and independent communication between <b>them</b> and the auditor. “</p> <p>Comment: Or their representatives</p>	The following addition has been made to the indicator: ‘..facilitating direct and independent communication between them <b>or their representatives</b> and the auditor’.

3	1.17	G 3.4	<p>Perhaps it would be possible to explicitly link (through a footnote or comment in brackets) the PARTICIPATORY MAPPING requirement in the new version of the Standard with the requirement to detail ECOSYSTEM SERVICES IMPORTANT FOR COMMUNITY WELLBEING. There could be a footnote, for example, that states ‘where possible these ecosystem services should be incorporated into the participatory mapping process outlined in...’</p> <p>(The consensus is that most ES assessment tools lack a participatory component, and that this participatory component is critical in getting the right sort of information.)</p>	<p>The following text is added to footnote 40 (On effective consultation):  <b>Consultations must include participatory identification of ecosystem services and high conservation values, for example through participatory mapping. Consultations must also include an evaluation of the type and magnitude of impacts resulting from project activities (CM2.1).</b></p> <p>Footnote added to clarify ‘evaluation of impacts by the affected Community Groups’ in CM 2.1: <b>“includes types and magnitude of impacts.”</b></p> <p>The guidance document will provide a step by step Stakeholder engagement process which will clarify the need to include identification and assessment of impact on, high conservation values and ecosystem services.</p>
8	1.18	G 3.5	<p>On effective participation:</p> <p>With special attention to be paid for most vulnerable groups. May need additional strategies or measures to ensure their representation in decision making and their fair access to benefit sharing.</p>	<p>The footnote for effective consultation (footnote 40) includes: “...Consultations must be gender and inter-generationally sensitive with special attention to vulnerable and/or marginalized people...”</p>
5	1.19	G 3.5	<p>“...culturally appropriate and <b><i>gender sensitive manner</i></b>”</p> <p>Comment: Glad to see this</p>	<p>No change required</p>
5	1.20	G 3.6	<p>“<b><i>...adequate levels of information sharing with the members of the groups</i></b>”</p> <p>Comment: Glad to see this too. It’s a challenge, but important.</p>	<p>No change required</p>

5	1.21	G 3.7	<p><b>“...The project proponent must attempt to resolve all reasonable grievances raised..”</b></p> <p>Comment: If a serious grievance cannot be resolved in a reasonable timeframe should CCBA be informed? Should potential buyers of credits be informed? If there were serious abuses, perhaps this would be important.</p>	<p>Addition made to last sentence in G 3.7: <b>“and made publicly available”</b></p> <p>The guidance document will provide details on the grievance on redress mechanisms including processes for receiving and addressing comments outside the public comment period.</p>
5	1.22	G 3.10	<p><b>“..Describe how the project will inform workers about their rights. Provide assurance that the project <i>meets or exceeds all applicable laws and/or regulations covering worker rights and</i>, where relevant, demonstrate how compliance is achieved.”</b></p> <p>Comment: In Cambodia this was not straightforward since the Labor Law is designed for use with factories and other urban businesses. This regulation is not relevant for community forestry members that participate in forest management. Fortunately the validators realized this.</p>	<p>The indicator mentions meeting or exceeding only applicable laws.</p>
8	1.23	G 5	<p>On FPIC:</p> <p>I understand this is important, however, when it explains potential benefits to communities and other stakeholders in advance, who can have higher/over expectation which project proponent may face an issue to handle with.</p>	<p>FPIC requirement is specific to instances where rights are affected and where involuntary relocation is involved. Explaining that FPIC is not relevant to all situations can help to manage expectations.</p>
5	1.24	G 5.1	<p><b>“Describe and map customary and statutory tenure/use/access/management rights to lands, territories and resources...”</b></p> <p>Comment: Some may wonder if these can be sketch maps or if they must be proper GIS maps. I would suggest sketch maps would be sufficient.</p>	<p>It is expected for this requirement to be understood as only requiring sketch maps since we have not specified that GIS maps are required(when such precision is expected, it has been added as a footnote in other indicators)</p>
5	1.25	G 5.5	<p>Identify any <b><i>ongoing or unresolved conflicts or disputes</i></b> over rights to lands, territories and resources</p> <p>Comment: I know there is a deduction for risk from disputes from the</p>	<p>Additions made to the following indicators:</p> <p>G 5.1 : <b>If applicable, describe how the</b></p>

			VCS, but I wonder if the CCB standards could also be used to leverage the resolution of these disputes without putting a project in too much jeopardy. This is particularly true in the case where land grabbers, military or concessionaires are impinging on community land.	<p><b>project will help to secure statutory rights.</b></p> <p>G 5.5: <b>If applicable, describe how the project will help resolve conflicts or disputes.</b></p> <p>It has not been made mandatory for projects to demonstrate that they have strategies in place to mitigate/avoid such conflicts in future since in some cases the project may not be able to do anything about the conflicts. Instead, the CCB Standards already has a requirement to “Demonstrate that no activity is undertaken by the project that could prejudice the outcome of an unresolved dispute relevant to the project over lands, territories and resources in the Project Zone.</p>
5	1.26	G 5.5	<p>“resolved <i>during the last twenty years</i> where such records exist, or at least during the last ten years”</p> <p>Comment: It seems unrealistic and unnecessary to ask for this. What is the purpose?</p>	Twenty years required when records exist since conflicts have long term impacts.
8	1.27	G 5.5	In addition to such identification of conflicts or disputes, it would be important that the project will demonstrate strategies to mitigate/avoid such conflicts or disputes.	<p>Additions made to the following indicators:</p> <p>G5.1: <b>“If applicable, describe how the project will help to secure statutory rights.”</b></p> <p>G5.5: <b>“If applicable, describe, how the project will help resolve conflicts or</b></p>

				<p><b>disputes”</b></p> <p>It has not been made mandatory for projects to demonstrate that they have strategies in place to mitigate/avoid such conflicts in future since in some cases the project may not be able to do anything about the conflicts. Instead, the CCB Standards already has a requirement to “Demonstrate that no activity is undertaken by the project that could prejudice the outcome of an unresolved dispute relevant to the project over lands, territories and resources in the Project Zone.</p>
8	1.28	G 5.6	Some laws and policies conflict with one another. I wonder in the case how the project can verify that it meets all the laws.	The relevance of the laws would be the deciding factor.
<b>Climate Section</b>				
4	2.01	CL3.1 Foot note 66	-Ecological leakage (please define)	Definition added to the footnote as well as Glossary: <b>‘Ecological leakage occurs, for example, in Wetlands Restoration and Conservation projects where a project activity causes changes in GHG emissions or fluxes of GHG emissions from ecosystems that are hydrologically connected to the Project Area.’</b>
8	2.02	CL 2.1	On estimation of total GHG emissions:  Before estimation, the project can categorize sorts of project activities or activities under the project area that can positively/negatively affect carbon pools and volumes, then estimate overall GHG emissions	The approved or defensible methodological approaches will include frameworks for classification and categorization of project activities and how they all contribute to the total GHG emissions.
8	2.03	CL 2.2	On demonstration of net positive climate impact  it is important but not always easy to estimate the concrete amount at this stage because when it needs to be revised (i.e. if it’s down than expected	The CCB Standards only requires a net positive climate impact and not quantification of GHG emission removals/reductions. Therefore even if the emission reduction number needs

			earlier, it can become a political issue in the proponent's country.	to be revised, the project will not violate the requirements of the CCB Standards as long as the net climate impact is still positive.
<b>Community Section</b>				
4	3.01	CM1 Concept Foot note 75	<p><sup>75</sup> 'Well-being' is defined as people's experience of the quality of their lives and may include <i>environmental</i>, social, economic, psychological, spiritual, and medical dimensions.</p> <p><b>Justification</b></p> <p>Environment is inherently linked to quality of life and this is even more important for local communities and the poor that relies on ecosystem services i.e. fresh clean water as those are linked with a higher probability to be healthier than under degraded conditions. Taking into account environment as part of quality of life could also help proponents to identify potential negative effects or externalities affecting the communities. Also including environment as part of quality of life is more directly linked with the indicator CM1 Indicator 2 and also GL1 Indicator 2 call 70).</p>	Addition made
8	3.02	CM 2.1	Same as the above, the manual SBIA is recommended but does it depend on a proponent's choice? and no disadvantage to choose any other manual? (also I have the same comment to similar footnotes in the other pages.	Yes- the use of SBIA is only recommended and the proponent is free to decide whether to use other tools/manuals.
5	3.03	CM 4.1	and must include an evaluation by <b>the</b> affected Community Groups Comment: A representative sample of?	The monitoring plan will specify the details of the samples which will be used.
5	3.04	CM 4.2	"...measures taken <b>maintain</b> or enhance all identified High Conservation Values..." Comment: <b>to</b>	Addition made.

5	3.05	GL 2 Concept	<p>“...is explicitly pro-poor in terms of targeting <b>benefits...</b>”</p> <p>Comment: the majority of (financial)</p>	<p>One of the project eligibility conditions for the Community Gold level is that the ‘the Project Zone is in a low human development country OR in an administrative area of a medium or high human development country in which at least 50% of <b>the households within the Communities</b> <del>population of that area is</del> (See comment 3.08 is below the national poverty line.’ Therefore the project is pro-poor in terms of targeting all benefits to globally poorer communities.</p>
5	3.06	GL 2 Concept	<p>is explicitly pro-poor in terms of targeting benefits to <b>globally</b> poorer communities</p> <p>Comment: ?</p>	<p>The project needs to be in a low human development country OR in an administrative area of a medium or high human development country in which at least 50% of <b>the households within the Communities</b> <del>population of that area is</del> (See comment 3.08) is below the national poverty line.</p>
5	3.07	GL 2 Concept	<p>that enable effective participation in decision making, <b>including women</b> and marginalized and/or vulnerable groups</p> <p>Comment: good to see gender balance encouraged</p>	<p>No change needed</p>
5	3.08	GL 2.1 b	<p>in which <b>at least 50% of the population of that area</b> is below the national poverty line.</p> <p>Comment: there can be big gaps between people who live in the provincial towns and forest dependent villagers in the rural villages. Maybe better to say “population in the project area”</p>	<p>Changed to “ in which at least 50% of <b>the households within the Communities</b> <del>population of that area is</del> are below the national poverty line.</p>
6	3.09	GL 2 Concept and GL 2.8	<p>Concept: ...and have final say over project design and implementation. Governance structures promote community control over the project.</p> <p>GL 2.8: “..and demonstrate that they enable effective participation <b>of and</b></p>	<p>The requirement of control has not been added since requiring “control” would make very few projects eligible to use the Gold level.</p>

			<b>control by Smallholders/Community Members in project decision-making and implementation”</b>	GL2.8 modified to include <b>”full and effective participation”</b> . Full and effective means meaningful influence.
6	3.10	GL 2 Concept and GL 2. 6	<p>It may be too radical but with the Surui 100% of the benefits of the project go to the community.</p> <p>The Brazilian Indian bureau FUNAI has established that a minimum of 80% of the funds from a REDD project need to go to the community.</p> <p>GL 2.6: “Describe the design and implementation of a benefit sharing mechanism, demonstrating that Smallholders/Community Members have participated <b>in defining</b> the decision-making process and the distribution mechanism for benefit sharing; and demonstrating transparency, including on project funding and costs as well as on benefit distribution.</p> <p>And a XX mimimum percentage of projects returns are invested directly with the community based on community life plans/priorities.</p>	<p>The requirement of control has not been added since would make very few projects eligible to use the Gold level.</p> <p>The following modifications have been made to GL 2.6: “... Smallholders/Community Members have <b>fully and effectively</b> participated <b>in defining and actively participate in</b> the decision making..”</p> <p>The guidance document will provide examples of benefit sharing mechanisms.</p>
4	3.11	GL 2. 2	<p>Demonstrate that the project generates short term<sup>94</sup> and long term<sup>?</sup> net positive well-being benefits for Smallholders/ Community Members.</p> <p><b>?long term includes capacity building and a framework of self reliance and local empowerment for Smallholders/community members to sustain net positive well-being benefits</b></p> <p><b>Justification</b></p> <p>One of the main problems of development and conservation projects has been not being able to deliver long term benefits to communities. This because the top-down approach most projects still have or else due to short term funding. With carbon projects these two situations hopefully would be tackled and then this should give room to projects to develop participatory methodologies and tools that promotes people leading their quality of life plan or their own well being agenda. Therefore I guess it</p>	The guidance document will provide examples of short term and long-term well-being benefits.

			would be important to ask proponents to set long term goals oriented to this objective.	
4	3.12	GL2.4 Footnote 95	<p><sup>95</sup> ‘Marginalized’ people or groups are those that have little or no influence over decision-making processes. Marginalization may be related to a range of factors including gender, <i>age</i>, ethnicity, socio-economic status, and religion.</p> <p>Justification</p> <p>At the risk to be redundant I would suggest to consider, in the call 95, to make <i>generational or age</i> explicit so the proponents address this as factor of marginalization. Frequently youth and elderly are marginalized in projects and programs, with special emphasis on the last. In extreme situations of poverty elderly are usually the ones remaining in the communities taking care of children. Because they are more affected of lack of mobility and also more attached to traditional lifestyles they are easily marginalized by other community members and projects affecting their influence in decision making.</p>	Age has been included as a factor of marginalization.

**Biodiversity Section**

1	4.01	GL 3.4 Footnote 118	<p>I have one small comment in relation to the biodiversity gold level – footnote 118. I would change it to ‘...for example: Evidence that key threats to the species are being addressed may be used to demonstrate that species populations are likely to be maintained or enhanced...’. I’ve removed the reference to ‘and/or suitable habitat is being maintained’. If habitat loss is a key threat, then its covered by the new wording. If not, then its not a relevant measure – but opens a door for projects that are not actively addressing the main threats to biodiversity to claim that simply by avoiding deforestation they are meeting the gold standard – paving the way for lots of ‘empty forest’ REDD sites in years to come. I think the essence of the gold standard should include identifying what is being done for biodiversity other than preventing gross deforestation.</p>	Footnote 118 changed to ‘...for example: Evidence that key threats to the species -are being addressed <i>and/or suitable habitat is being maintained</i> may be used to demonstrate that species populations are likely to be maintained or enhanced...’
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**Rules for the Use of CCB Standards**

2	5.01	Comments received after an audit	<ul style="list-style-type: none"> <li>- “Comments received after an audit and relevant to an audit opinion.” : I imagine it could be a little murky whether a comment is relevant to the already issued audit opinion, or whether it is relevant to the future verification. Does CCBA intend to specify a time limit on this? I would be more comfortable if it states “Comments received within 3?6? months after an audit opinion is issued that are relevant to the audit opinion...”</li> <li>- I also want to emphasize that the ability of the auditor to accurately assess the “relevance” of a comment received is questionable, in isolation (ie. not as part of the actual audit). When we receive public comments before or during an audit, these can be viewed holistically in the context of field visits, document review, targeted interviews, etc. However receiving a comment months or years after the audit is closed, in isolation, is a much different proposition. For example, a large REDD project may have 250,000 local people involved in some way or other. If 6 months or a year after the validation is approved, CCBA receives a comment that someone was not consulted, it will be difficult to determine whether this is materially “relevant” or not. It could be a single disgruntled individual or a systemic problem, and if the liability for failing to appropriately determine the relevance of the comment falls wholly on the auditor, I would think audit firms would frequently require a second field visit, thus increasing costs. This is of course the reason we do an audit in the first place—but the audit has a defined end time where the auditor no longer has to incorporate new information. Does CCBA have suggestions on how an example like this should be dealt with?</li> <li>- What if GHG credits have been issued with a CCB Standards tag, and sold? Would they be paid back? Who would be responsible for replacing them? I would be more comfortable having the standard provide some guidance on this, rather than de facto leaving it up to lawyers in a worst case scenario. My personal opinion is that the rule as currently written injects too much uncertainty and potential additional costs that could be</li> </ul>	<p>The requirement for the Auditor or CCBA to assess the relevance of a comment to a past audit opinion, and for the auditor to revisit the opinion if needed has been removed from the Rules document. The text now reads as follows” Comments received outside an audit period are sent to the Auditor that conducted the previous CCB Standards validation or verification and to the Project Proponent. These comments are not published by the CCBA but the commenter is informed by the CCBA that comments resubmitted during the next public comment period will be published and addressed in the Validation or Verification Report. The commenter may decide to refer significant issues to the Auditor’s dispute resolution process. All comments received outside an audit period are compiled by the CCBA and sent to the next Auditor that is engaged for a CCB Validation or Verification for this project, who may request information from the project proponent about how comments received outside the audit period have been addressed..</p>
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harmful. I would be a lot more comfortable if the risks were more limited, such that credits that had already been issued could not be impacted by a change in the audit decision. In effect, if the audit decision were overturned, any credits already issued could be “grandfathered in” as valid. I think our legal team would have a lot of concern with the risk of CCB auditing if this were not the case, given the potentially huge financial risk the VVB would carry, compared to the small audit fees we receive.

- There is the ongoing question of whether a project is meeting the Standards, rather than whether the project was meeting the Standards at the time in which the audit opinion was issued. The VVB is only warranting that the project met the standards when the audit occurred. Compliance to the standard after the date on which the audit concluded should be determined by the next verification audit. If CCBA wants this to be more of a dynamic audit process over time, where the auditor that performed the last validation or verification, should “check up” on a project if a negative comment pertaining to the period after the audit is received, then this cost should be 100% borne by the Project Proponent, rather than the current situation where “the cost of this inquiry shall be assumed by the Project Proponent and/or the Auditor”.
- Despite these concerns I do think there is an important role for comments received after the closure of an audit to play. However, I am concerned about the ramifications of after the fact reversal of an audit decision, particularly if credits have already been sold. This seems even more complex given that CCB is simply an additional “tag” on other credits. For example, if a CCB verification is invalidated and a buyer purchased 750,000 VCS+CCB credits from that project, if the buyer wants their money back, how would this work? How much of the value comes from CCB? Who would pay it back? As I said, I support grandfathering in credits already issued, but if this is not to be the case, I think the Standard would want a legal opinion on these issues up front.

